

**FOR IMMEDIATE RELEASE** August 18, 2015

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## A Vision for the Vermont Corridor

Some of Los Angeles County's most dilapidated government office buildings are slated for the wrecking ball, to be replaced with housing and retail spaces, as well as a modern new headquarters for the Department of Mental Health (DMH).

The Board of Supervisors voted Tuesday to start the process of accepting bids for the development of three sites on what has been dubbed the "Vermont Corridor" in the County's Second District.

"It's an innovative approach that transforms once-neglected County resources into modern facilities that would serve the public in a variety of ways, including creating jobs, revitalizing communities, generating new revenue streams for the County, and addressing urban blight," Supervisor Mark Ridley-Thomas said. "Bringing new development and replacing dilapidated County facilities is a cornerstone of my economic development agenda."

He stressed the need for open and transparent real property leasing and acquisition procedures, especially after a 2014 proposal to <u>purchase the Saturn Building</u> in Monterey Park raised serious questions about the County's policies and practices. At Supervisor Ridley-Thomas' urging, that project was ultimately abandoned. "Extraordinary care and diligence must be taken to preserve fairness, ensure efficiency, provide equal opportunity, and reinforce public trust," he said.

The County has more than 1 million square feet of office space along a quartermile stretch of South Vermont Avenue between 4<sup>th</sup> and 6<sup>th</sup> Streets in Los Angeles. It either owns or leases office buildings and parking structures for staff of the Departments of Mental Health; Children and Family Services; Parks and Recreation; and Community and Senior Services.

Sean Rogan, executive director of the County's Community Development Commission, described the facilities as a "blight" on the surrounding community, noting they have "experienced a high level of deterioration and offer few operating efficiencies for County employees."

Under the plan approved Tuesday, the County would tap a single developer to transform:

- 510, 526 and 532 South Vermont Avenue into a state-of-the-art, 400,000-sq. ft. headquarters for the DMH, with groundbreaking expected in 2018;
- 550 South Vermont Avenue and 3175 West 6<sup>th</sup> Street into a mixed-use high-rise with street-level commercial, service and retail spaces designed to benefit the local neighborhood; and
- 433 South Vermont Street into either a "project with the highest economic benefit to the County" or affordable housing for seniors with a community center at street level.

The developer must plan, design, entitle, finance and construct new structures on all three sites, and also upgrade an adjacent parking lot for County staff at 523 Shatto Place. The old DMH facility will be demolished and replaced with a high-density, mixed-use development that would generate new tax revenues and ground lease payments for the County.

According to the Los Angeles County Economic Development Corporation's Institute for Applied Economics, construction of LA County offices and two residential towers at an estimated combined cost of \$453 million could generate about 1,355 construction jobs.

The Vermont Corridor is a bustling socioeconomically and culturally diverse neighborhood that includes bus and subway stations; retail and service establishments; markets; restaurants; schools; and the Korean American National Museum and Islamic Center of Southern California.